

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
2004 Legislative Year**

Status as of February 18, 2004

A – Sponsored Bills

Bill Number		Summary	Board Position	Status
Version	Author			
SB 626	Senate	Recodification of PEMHCA	Sponsor	09/09/2003-
A-09/09/2003	PE&R Committee	Recodifies the provisions of the Public Employees Medical and Hospital Care Act (PEMHCA) in order to provide greater clarity.		Placed on inactive file on request of Assembly Member Chan.

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B – Other Bills

Bill Number Version	Author	Summary	Board Position	Status
AB 91 A-07/03/2003	Dutton	Public Employees' Retirement: Riverside County Deputy Coroners This bill would authorize Riverside County to reclassify deputy coroners as county peace officers and thereby make them eligible for local safety benefits. The bill would also exclude the deputy coroner safety positions from coverage under Social Security.	Oppose Unless Amended	08/29/2003- Senate Appropriations Committee; held under submission.
AB 459 A-09/10/2003	McLeod, Negrete	CalPERS Membership for Employee Representative; Legislators' Health Benefits; Contracting Agency Employer Contribution for PEMHCA This bill contains changes to the PERL and PEMHCA as follows: (1) Allows specified public employee representatives to contract with CalPERS for retirement and/or health benefits. (2) Changes the number of credited years of service required by a legislator or elective official to become eligible for the state employer contribution for health benefits, from 8 years to 6. (3) Changes the formula used to calculate the employer contribution for health benefits for those contracting agencies paying an unequal contribution for their employees and retirees. The formula in this bill would ensure that the contributions become equal within 20 years of adopting the formula.		01/28/2004- Senate PE&R Committee
AB 1253 A-01/29/2004	Bermudez	Golden Handshake: State Employees This bill would grant specified state employees other than school members, and state members employed by the California State University, an additional 2 years of service credit if those employees retire within a period, to be designated by the Director of Finance, during the 2004-05 fiscal year and if other conditions are met. Employees retiring with the extra 2 years of service credit would be required to convert any unused vacation or leave time to service credit at the rate of 0.004 year of service credit for each unused day of leave time or vacation. This bill contains other related provisions.		01/29/2004- Senate Appropriations Committee

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AB 1629 A-07/16/2003	Frommer	Health Facility Data Collection Requires every licensed hospital to provide OSHPD the health facility data required under the Health Data and Advisory Council Consolidation Act for all affiliates. Affiliates would include other entities for which the hospital exercises control, responsibility, or governance over a material portion of the assets or operations. The information reported on behalf of the affiliates must include specified financial data and patient utilization data. Also specifies the standards that OSHPD is required to consider in developing its data reporting requirements.	Support	08/29/2003-Senate Appropriations Committee; held under submission.
AB 1800 I-01/09/2004	Oropeza	2004-05 Budget Act This bill would make appropriations for support of state government for the 2004-05 fiscal year. Urgency clause.		01/29/2004-Assembly Budget Committee
AB 1958 I-02/12/2004	Frommer	CalPERS Rx Purchasing Coalition Encourages the CalPERS Board to establish or participate in a purchasing coalition with public and private entities for the purchasing of prescription drugs.		02/13/2004-From printer. May be heard in committee March 14.
AB 1959 I-02/12/2004	Chu	Legislative Review of Rx Contracts Allows specified members of the Legislature to review the prescription drug contracts entered into by state agencies, including CalPERS. CalPERS' contracts currently contain confidentiality agreements that prohibit the release of specified information. Requires those members to adhere to the relevant confidentiality agreement.		02/13/2004-From printer. May be heard in committee March 14.
AB 1960 I-02/12/2004	Pavley	PBM Fiduciary Duty Imposes a fiduciary duty on a pharmacy benefit manager (PBM) to the entity contracting for the PBM's services. The fiduciary duty requires the PBM to act in the best interest of the purchaser, and provides a legal recourse if it fails to do so.		02/13/2004-From printer. May be heard in committee March 14.

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AJR 8 I-02/20/2003	Mountjoy	LTCI Tax Deduction Resolution Requests the President and Congress to enact new tax benefits that will allow individuals to deduct the total cost of any premiums paid for a qualified long-term care insurance contract regardless of the income of the taxpayer, the total amount paid by the taxpayer for medical expenses, or the age of the insured individual.	Support	01/14/2004- Senate Revenue and Taxation Committee
SB 53 A-09/09/2003	Dunn	State and Local Safety Members: 100% Benefit Limit Increases the retirement benefit limit for local safety members from 90% to 100% of final compensation for those members who retire on or after January 1, 2004. Increases the benefit limit for state patrol members and peace officer/fire fighter members in Bargaining Unit 8 in the same way if CalPERS submits to the Department of Personnel Administration and the Director of Finance a cost analysis determining that the increase shall result in either neutral cost or cost savings to the state employer.		01/08/2004- Placed on inactive file on request of Senator Dunn.
SB 126 A-06/02/2003	Chesbro	Rural Health Care Equity Program - Extension Extends the operation of the Rural Health Care Equity program to January 1, 2008. Otherwise, this program will sunset on January 1, 2005.	Support	08/29/2003- Assembly Appropriations Committee; held under submission.
SB 260 A-06/27/2003	Romero	Public Hospital Reimbursement Rates Requires health plans to provide reimbursement to public hospitals at rates not less than the average rate paid to private hospitals within the same county as the public hospital.	Oppose	07/08/2003- Assembly Health Committee
SB 437 A-01/22/2004	Burton	Contribution Reduction for Legislative Employees This bill would authorize specified employers of the legislative branch of state government to establish the normal contribution rate for their respective employees for a 12-month period, as specified.		01/22/2004- Assembly PER&SS Committee

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SB 574 A-06/19/2003	Senate PE&R Committee	<p>PEMHCA Changes Recommended by SCR 39 Panel</p> <p>This bill contains changes to PEMHCA as recommended by a panel created by SCR 39 (Statutes of 2001). The bill includes many requirements, including the following: (1) Requires multi-year contracts with health plans; (2) Requires health plans to implement disease management programs for specified conditions; (3) Prohibits health plans from charging copayments for specified prescription drug refills; (4) Requires health plans to eliminate handwritten prescriptions and to implement electronic prescribing technology; (5) Requires health plans to provide specified preventive care programs; (6) Requires health plans to print ICD-9 codes on prescription labels; (7) Creates a PEMHCA Review Panel, with specified members, to oversee compliance with these requirements and to make annual recommendations to the Legislature.</p>		08/29/2003-Assembly Appropriations Committee; held under submission.
SB 902 A-09/08/2003	Soto	<p>Industrial Disability Retirement: Reduced Age Factors for Local Safety Members</p> <p>Existing law establishes the disability retirement allowance for local safety members as (1) 50% of the member's final compensation plus an annuity purchased with the member's accumulated additional contributions, if the member is not eligible to retire, or (2) the member's service retirement allowance if it would be greater than 50% and the member is eligible to retire. This bill would provide a new method for calculating the disability retirement allowance of local safety members who are not eligible to retire but who have earned enough service to exceed the 50% provided in current law.</p>	Neutral	01/08/2004-In Assembly. Held at Desk.

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SB 921 A-06/26/2003	Kuehl	Universal Coverage - Single-Payer System Would establish the California Health Care System to be administered by the newly created California Health Care Agency. By January 1, 2006, all California residents would be eligible for specified benefits under the California Health Care System, which would, on a single-payer basis, negotiate or set fees for health care services and reimburse providers for services delivered. There would be no deductibles or copayments during the first 2 years of system operation.	Neutral	07/08/2003- Assembly Health Committee
SB 1095 I-01/09/2004	Chesbro	2004-05 Budget Act This bill would make appropriations for support of state government for the 2004-05 fiscal year. Urgency clause.		01/22/2004- Senate Budget Committee
SB 1158 I-01/29/2004	Scott	Mandated Benefits - Hearing Aids Requires health plans and insurers to provide up to \$1,000 for hearing aids for enrollees under 18 years of age. This benefit may be limited to \$1,000 for each 36-month period of coverage.		02/17/2004- Senate Insurance Committee
SB 1192 I-02/09/2004	Chesbro	Mandated Benefits - Substance Abuse Parity Requires health plans and insurers to provide coverage for substance abuse disorders on the same basis as coverage for any other medical care.		02/10/2004- From print. May be acted upon on or after March 11.